

THE UNITED STATES, CHINA AND SOUTHEAST ASIA

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In 2010 regional security in Southeast Asia was affected by three major developments: increased tensions in Sino-American relations, U.S. re-engagement with the region, and Chinese assertiveness in the South China Sea. Each of these developments when taken in combination posed a challenge to the Association of Southeast Asian Nations' (ASEAN) self-proclaimed role as the "primary driving force" in regional affairs. ASEAN weathered these challenges and by year's end demonstrated that ASEAN continued to remain central to the region's security architecture.

Tensions in Sino-American Relations

In November 2009, China and the United States issued a joint statement at the conclusion of President Obama's visit to Beijing. Both leaders "agreed that respecting each other's core interests is extremely important to ensure steady progress in U.S.-China relations".¹ Early the following year, when the United States announced arms sales to Taiwan and President Obama received the Dalai Lama, Tibet's spiritual leader, in The White House, China reacted angrily to what it perceived as an infringement of its core interests. Beijing immediately suspended all military-to-military exchanges.

In early March the Obama administration dispatched two senior officials to Beijing where they were received by State Councilor Dai Bingguo. The visitors had hoped to focus discussions on the nuclear programmes under way in Iran and North Korea, trade and market access, and climate change and to elicit Chinese cooperation on these issues. But Councilor Dai demanded that the United States

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genuinely respect China's core interests by halting all future meetings with the Dalai Lama and arms sales to Taiwan.

The American officials were told by their counterparts that "China would not tolerate any interference in the South China Sea, now part of China's 'core interest' of sovereignty".² U.S. analysts quickly noted that this was the first time China had identified the South China Sea as a core interest, along with Tibet, Taiwan, and Xinjiang.

Whether or not China had elevated the South China Sea to a core interest in official national policy has become a point of controversy.³ However, according to Secretary of State Hillary Clinton, Dai Bingguo reasserted this claim at the 2nd U.S.-China Strategic and Economic Dialogue (S&ED), held in Beijing in May.⁴ By October, one U.S. official noted there was an internal debate in China about the core interest issue. "They now, in at least some of our interactions with them, appear to have backed away from the core interest argument and seem to be seeking other ways to articulate their approach to these issues", he stated.⁵

In April, prior to the 2nd S&ED, China indicated that it was willing to take steps to improve political relations. For example, on 1 April, Presidents Obama and Hu Jintao held an hour-long telephone conversation to discuss a number of international issues. China also announced that President Hu would attend the Nuclear Security Summit in Washington on 10 April. But military-to-military relations continued to remain strained. For example, China turned down a request by Defence Secretary Robert Gates to visit China in June, stating it was "not a convenient time".

At the 2nd S&ED Chinese military officials continued to demonstrate hostility towards their American counterparts. At a sideline meeting held at the request of the U.S. side, Lt. Gen. Ma Xiaotian, People's Liberation Army (PLA) Deputy Chief of the General Staff, bluntly told Admiral Robert Willard, Commander of the U.S. Pacific Command, and other American officials, that there were three obstacles to stable military-to-military relations: U.S. arms sales to Taiwan; operations by U.S. naval ships and military aircraft in China's Exclusive Economic Zone; and U.S. laws restricting the development of military exchanges. The attitude of senior Chinese military officials led Secretary Gates to observe with some understatement, "the PLA is significantly less interested in this relationship than the political leadership in China".⁶

The downturn in Sino-American military relations reached their nadir at the 9th Shangri-La Dialogue held in Singapore from 4 to 6 June. Secretary Gates aroused Chinese ire by defending U.S. arms sales to Taiwan and challenging Chinese claims to the South China Sea. Secretary Gates underscored U.S. opposition to

“the use of force and actions that hinder freedom of navigation” and supported the concrete implementation of the Declaration on Conduct of Parties in the South China Sea (DOC).⁷

Lt. Gen. Ma Xiaotian represented China at the Shangri-La Dialogue. He blamed the United States entirely for the suspension of military-to-military cooperation. Ma reiterated the three obstacles that he had propounded in Beijing the previous month. This led Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff, to state that he found China’s rejection of military-to-military contact “particularly disappointing” and called on China to work with the United States to promote regional stability.⁸

Three months later China signaled that its hard-line policy of suspending military-to-military contacts with the United States was easing. On 30 September, a Chinese military official informed a visiting senior Defence Department civilian that regular dialogue and exchanges on military safety at sea and other issues would be resumed.⁹ On the eve of the October meeting of the ASEAN Defence Ministers Meeting Plus (ADMM Plus, see below), China announced that its Defence Minister, Liang Guanglie, would meet his American counterpart, Secretary Gates. The two ministers duly met on 11 October. Minister Liang invited Secretary Gates to visit Beijing early in 2011, thus ending the freeze on high-level defence contacts imposed by China at the start of the year.

Subsequently, China and the United States held talks on maritime security in Hawaii from 14 to 15 October under the aegis of the U.S.-China Military Maritime Consultative Agreement. These discussions focused on standard safety procedures when naval forces operated on the high seas in close proximity to each other. The 11th U.S.-China Defense Consultative Talks were convened in Washington, from 9 to 10 December. In January 2011, Secretary Gates paid an official visit to Beijing.

The United States Re-engages the Region

The downturn in U.S. relations with China contrasted to a marked upturn in U.S. relations with Southeast Asia as the Obama administration continued to re-engage with ASEAN and develop new partnerships (in particular with Cambodia, Indonesia, Malaysia, and Vietnam). In January, President Obama announced the establishment of a U.S. Permanent Mission to the ASEAN Secretariat in Jakarta and the appointment of a resident representative. Secretary of State Hillary Clinton, in the most authoritative exposition of U.S. policy towards Southeast Asia, stressed the importance of ASEAN in regional affairs and declared a U.S. interest in joining the East Asia Summit.¹⁰

During the year, the United States demonstrated its commitment to Southeast Asia with deeds as well as words. In July, Secretary Clinton attended the annual meeting of the ASEAN Regional Forum (ARF) for the second time (discussed below). On the sidelines of this meeting she met with the Foreign Ministers of Cambodia, Laos, Thailand, and Vietnam to advance the Lower Mekong Initiative, launched the previous year.

A major step forward in U.S. re-engagement took place on 24 September when President Obama hosted the 2nd U.S.-ASEAN Leaders' Meeting in New York (see below). This meeting agreed to raise the ASEAN-U.S. partnership to a strategic level.

In October, Secretary Clinton undertook her sixth trip to Asia. On the eve of her departure she delivered another foreign policy speech in Honolulu in which she advanced the novel concept of "forward deployed diplomacy" to be pursued through three interrelated tracks: shaping the economy of the Asia Pacific, underwriting regional security, and supporting stronger democratic institutions and promoting universal values of human rights. Clinton also identified alliances, emerging partnerships, and regional institutions as the three major tools of U.S. diplomacy. Finally, she concluded by re-emphasizing that ASEAN would play a central role and the East Asia Summit should become a substantive forum for engaging current security and strategic issues such as nuclear non-proliferation, maritime security, and climate change.¹¹

Secretary Clinton then embarked on a seven-nation series of visits that included China's Hainan Island, Vietnam, Cambodia, Malaysia, Papua New Guinea, New Zealand, and Australia (28 October–8 November). Secretary Clinton attended the 5th East Asia Summit in Hanoi and assured those present that President Obama would attend the next meeting in 2011 to be held in Jakarta.

The capstone of U.S. regional engagement took place in November when President Obama paid visits to India, South Korea (G-20 Summit), Japan (APEC leaders meeting), and Indonesia. In Jakarta, Presidents Obama and Susilo Bambang Yudhono inaugurated the bilateral strategic partnership agreed to earlier. The two Presidents pledged to intensify cooperation in higher education, trade and investment, climate change, maritime security, and counterterrorism.

Chinese Assertiveness in the South China Sea

China's military modernization coupled with increased Chinese assertiveness in the South China Sea prompted Vietnam and other concerned ASEAN members to lobby the United States to become more involved.¹² The United States responded

by raising the South China Sea dispute at the 17th ASEAN Regional Forum meeting in Hanoi in mid-year. U.S. intervention provoked a hostile response from China.

In 2010, Chinese assertiveness took the form of high-profile naval exercises to reinforce its diplomatic stance over maritime disputes. The PLA Navy (PLAN) conducted three major exercises that bracketed the ARF meeting. The first exercise was held in early April, the second in early July, and the third late that month. The first and third exercises involved the most modern PLAN warships drawn from the North, East, and South Sea Fleets. Up until the first exercise the South Sea Fleet was the only PLAN fleet to operate in the South China Sea. The third PLAN exercise was the largest of its kind and was notable for the prominent Chinese media coverage of live missile firings.¹³

The 43rd annual meeting of ASEAN Foreign Ministers took place on 19–20 July after the second PLAN exercise. ASEAN ministers declared that they considered the DOC “a benchmark document between ASEAN and China” and instructed their senior officials to revive the ASEAN-China Joint Working Group on the Implementation of the DOC with a view to adopting a code of conduct.¹⁴

Prior to the 17th ARF Ministerial Meeting on 23 July, the United States privately informed several members of the ARF that Secretary Clinton would make an intervention and asked for their support.¹⁵ When China learned of this it approached individual ASEAN countries to warn them against internationalizing this issue.¹⁶ This set the scene for a diplomatic confrontation between Beijing and Washington.

At the ARF meeting eleven of the ARF’s twenty-seven members (Brunei, Malaysia, the Philippines, Vietnam, India, Indonesia, Singapore, Australia, the European Union, Japan and South Korea) joined the United States in raising their concerns about maritime security in the South China Sea. Four ASEAN members refrained from comment (Cambodia, Laos, Myanmar, and Thailand).

Although the deliberations of the ARF meeting are off-the-record, Secretary Clinton made the U.S. position clear in remarks to the media. She declared that the United States “has a national interest in freedom of navigation, open access to Asia’s maritime commons, and respect for international law in the South China Sea” and resolving South China Sea disputes was “pivotal to regional stability”. Towards this end, Secretary Clinton announced U.S. support for “a collaborative, diplomatic process by all claimants for resolving the various territorial disputes

without coercion". She also rejected out of hand the basis of China's claim to the South China Sea.¹⁷

Secretary Clinton's intervention reportedly shocked her Chinese counterpart. Foreign Minister Yang Jiechi accused the United States of plotting against China. After disparaging Vietnam's socialist credentials, Yang then stared directly at Singapore's Foreign Minister George Yeo and stated, "China is a big country and other countries are small countries, and that is just a fact".¹⁸ Foreign Minister Yeo observed afterwards, "There was quite an interesting and sharp exchange between the Americans and the Chinese. At some points, the atmosphere was just a little tense".¹⁹

According to one account, ASEAN members were "taken aback by the ferocity of Beijing's counterattack" and began to have "second thoughts about having urged American intervention".²⁰ This was reflected in discussions at the 2nd U.S.-ASEAN Leaders' Meeting where a draft joint statement drawn up by the United States opposing the use or threat of force²¹ by "any claimant attempting to enforce disputed claims in the South China Sea" was revised to remove all references to the use of force and the South China Sea.

Three days prior to the leaders' meeting, a Chinese Foreign Ministry spokesperson added further diplomatic pressure on ASEAN states by declaring, "We are concerned about any kind of statement that might be issued by the U.S. and ASEAN over the South China Sea" and "We firmly oppose any country having nothing to do with the South China Sea issue getting involved in the dispute. This will only complicate rather than help solve the issue."²² Chinese diplomatic pressure had its desired effect.²³ The 2nd U.S.-ASEAN Leaders' Meeting did in fact discuss the South China Sea, as an official read-out by the White House issued immediately after the summit noted.²⁴

The Joint Statement was watered down because several ASEAN states took the view that now was not the time to antagonize China further. One senior ASEAN official stated, "It didn't seem like the right time to get into heavy China-bashing".²⁵ Another ASEAN diplomat observed, "We also did not want to give the impression that we were willing to do whatever the United States said. By deleting "South China Sea", we saved the face of both China and the United States."²⁶

Nevertheless, China continued to demonstrate its growing military assertiveness. On 2 November, the PLA Marine Corps held the fourth major naval exercise in the South China Sea that year. Taken together, these four PLAN exercises were a demonstration that China was rapidly developing the capacity to sustain larger naval deployments deep into the South China Sea.

ASEAN and the New Regional Architecture

On 12 October Vietnam hosted the inaugural meeting of ASEAN Defence Ministers with their eight dialogue partners (Australia, China, India, Japan, South Korea, New Zealand, Russia, and the United States).²⁷ Prior to this meeting ASEAN Defence Ministers reached the consensus that issues related to the South China Sea would not be part of the formal agenda and that no reference to the South China Sea would be included in the final joint declaration.²⁸ But no restrictions or preconditions were put on the eight non-ASEAN Defence Ministers.²⁹

Eight participants, including the United States, India, Japan, South Korea, Australia, Malaysia, Singapore, and Vietnam, raised concerns about maritime security in the South China Sea.³⁰ Secretary Gates, for example, underscored U.S. resolve to remain engaged: "The United States has always exercised our rights and supported the rights of others to transit through, and operate in, international waters. This will not change, nor will our commitment to engage in activities and exercises together with our allies and partners."³¹

Secretary Gates also reiterated Secretary Clinton's offer to facilitate multilateral discussions on a code of conduct for the South China Sea. But, as Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell later clarified, what the South China Sea claimant states want "is for the United States to support a process. There's not a desire for a facilitator, to be perfectly honest."³²

Chinese officials reacted dismissively to concerns about maritime security in the South China Sea, but were much more muted in their tone than previously. A Defence Ministry spokesperson noted that the issue of the South China Sea was "mentioned" but not raised "formally". "It is their problem, it is not our problem", he declared.³³

The inaugural ADMM Plus adopted a joint declaration that included an undertaking by the eighteen Defence Ministers to "strengthen regional defence and security cooperation through conduct of concrete and practical cooperation to address defence and security issues of mutual interest, with a view to building capacity, developing expertise, and enhancing coordination in areas that can contribute to regional peace and security".³⁴

The ADMM Plus approved five areas of future practical cooperation and established the ASEAN Defence Senior Officials' Meeting Plus (ADSOM Plus) to implement its decisions. The ADMM Plus agreed to hold their second meeting in Brunei in 2013.³⁵ ADSOM Plus held its first meeting in December and set up five Expert Working Groups each co-chaired by an ASEAN and non-ASEAN member: Humanitarian Assistance and Disaster Relief (Vietnam and China), Maritime Security (Malaysia and Australia), Military Medicine (Singapore and

Japan), Counter-Terrorism (Indonesia and the United States), and Peacekeeping Operations (Philippines and New Zealand).

Conclusion

During 2010 regional security in Southeast Asia was affected by increased tensions in Sino-American relations, U.S. re-engagement with the region, and Chinese assertiveness in the South China Sea. By the end of the year Sino-American tensions eased and bilateral relations resumed their upward trajectory. This cleared the ground for President Hu Jintao's valedictory state visit to Washington in January 2011. The joint statement issued at the conclusion of Hu's visit took note of differences by pledging that both parties would respect each other's core interests and major concerns, and there was no direct mention of the South China Sea.

U.S. re-engagement with ASEAN reached a high point with the holding of the 2nd U.S.-ASEAN Leaders' Meeting at head of state/government level. The United States also committed itself to engage with the ASEAN-centred regional security architecture, including the ADMM Plus and the East Asia Summit. Individual ASEAN members welcome U.S. re-engagement, but ASEAN as a whole was especially circumspect to avoid taking sides between China and the United States.

Chinese assertiveness in the South China Sea was a hot-button security issue throughout the year. But China too acknowledged ASEAN's centrality by agreeing to a revival of the ASEAN-China Joint Working Group to implement the DOC. China's decision to shift from its insistence on bilateral to multilateral negotiations might well have been influenced by U.S. intervention at the behest of several ASEAN states. Nevertheless, the South China Sea will remain an intractable security issue mainly because China's claim to over eighty per cent of the area conflicts with sovereignty claims by four littoral states: Vietnam, the Philippines, Malaysia, and Brunei.

Security developments in 2010 revealed that great power rivalry and competition could suddenly affect Southeast Asian security despite the best efforts by ASEAN to insulate itself from these forces. Southeast Asia will continue to be affected by Sino-American rivalry and military competition. ASEAN can mitigate the effects of these developments by strengthening its unity, developing a cohesive ASEAN Political-Security Community, and continually promoting its centrality in the region's security architecture. At the same time, individual ASEAN states can enhance their security through defence self-help by continuing to modernize their forces as a hedge against strategic uncertainty.³⁶

Notes

- ¹ The White House, Office of the Press Secretary, "U.S.-China Joint Statement", 17 November 2009.
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- ³ For further discussion see Carlyle A. Thayer, *Recent Developments in the South China Sea: Grounds for Cautious Optimism?* RSIS Working Paper No. 220 (Singapore: S. Rajaratnam School of International Studies, Nanyang Technological University), 14 December 2010, pp. 2–6.
- ⁴ "Interview with Greg Sheridan of *The Australian*", Hillary Rodham Clinton, Secretary of State, Melbourne, Australia, 8 November 2010.
- ⁵ Quoted in Phil Stewart and John Ruwitch, "U.S. See Crisis Fear Easing over South China Sea", Reuters, 13 October 2010.
- ⁶ Craig Whitlock, "China's Political and Military Leaders Split over Ties to Washington, Gates Says", *Washington Post*, 4 June 2010.
- ⁷ Robert M. Gates, Secretary of Defence, United States, "Strengthening Security Partnerships in the Asia-Pacific", Presentation to the First Plenary Session, the 9th IISS (International Institute of Strategic Studies) Asian Security Summit, The Shangri-La Dialogue, Singapore, 5 June 2010.
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- ⁹ Audrey McAvoy, "U.S., China Hold Maritime Security Talks in Hawaii", *Jakarta Post*, 16 October 2010.
- ¹⁰ Hillary Clinton, "Remarks on Regional Architecture in Asia: Principles and Practice", East-West Center, Honolulu, 12 January 2010.
- ¹¹ Hillary Clinton, "America's Engagement in the Asia-Pacific", Honolulu, 28 October 2010.
- ¹² Jeremy Page, Patrick Barta, and Jay Solomon, "U.S., Asean to Push Back against China", *Wall Street Journal*, 22 September 2010.
- ¹³ Xinhua, 29 July 2010 and Agence France-Presse, 30 July 2010.
- ¹⁴ Danh Duc, "What East Sea Needs?" *Tuoi Tre*, 1 August 2010.
- ¹⁵ Barry Wain, "Asean Caught in a Tight Spot", *Straits Times*, 16 September 2010.
- ¹⁶ Ibid.
- ¹⁷ Hillary Rodhan Clinton, Secretary of State, Remarks at Press Availability, National Convention Center, Hanoi, 23 July 2010.
- ¹⁸ John Pomfret, "U.S. Takes a Tougher Line with China", *Washington Post*, 30 July 2010.
- ¹⁹ Quoted in Sarah Stewart, "Asia Wary as China Asserts Territorial Ambitions", Agence France-Presse, 23 September 2010.
- ²⁰ Wain, "Asean Caught in a Tight Spot".

- ²¹ Teresa Cerojano, "Obama, ASEAN to Call for Peaceful End to Sea Spats", Associated Press, 19 September 2010. The draft was leaked to the press in Manila.
- ²² Xinhua, 21 September 2010; Christopher Bodeen, "China Criticizes Planned U.S.-ASEAN Statement on South China Sea", Canadian Press, 21 September 2010.
- ²³ Banyan's Notebook, "Be Careful What You Wish For", *The Economist*, 23 September 2010, electronic edition.
- ²⁴ The White House, Office of the Press Secretary, "Read-out of President Obama's Working Luncheon with ASEAN Leaders", 24 September 2010.
- ²⁵ Quoted in Page, Barta, and Solomon, "U.S., Asean to Push Back against China".
- ²⁶ Quoted in "Seas Fill with Tension over China's Moves", *Asahi Shimbun*, 2 October 2010.
- ²⁷ The Russian Defence Minister was represented by his Deputy Chief of Staff.
- ²⁸ Kazuto Tsukamoto, Yusuke Murayama, and Kenji Minemura, "At Key Meet, Beijing Tones Down Stance on South China Sea", *Asahi Shimbun*, 14 October 2010.
- ²⁹ "Minister for Defence Stephen Smith, MP Interview with Linda Mottram, Radio Australia", Defence Media Centre, Canberra, 13 October 2010.
- ³⁰ Tsukamoto, Murayama, and Minemura, "At Key Meet, Beijing Tones Down".
- ³¹ "U.S. Secretary of Defense Robert Gates Remarks at ASEAN Defense Ministers Meeting Plus 8 in Hanoi", 12 October 2010.
- ³² Quoted in Stanley Kaufman, "No Desire for Direct U.S. Role in South China Sea Dispute", Bureau of International Information Programs, U.S. Department of State, 7 October 2010.
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